

FISCAL NOTE

SB 353 - HB 478

February 13, 2001

SUMMARY OF BILL: Amends the *Tennessee Small Employer Group Health Coverage Reform Act* and the *Tennessee Health Insurance Portability, Availability and Renewability Act* to prohibit an insurer from increasing the premiums in excess of 30% in any 12 month period on small employers health benefit plans. Under certain circumstances, this limitation shall not apply to an insurance carrier which also contracts with the state to provide coverage to TennCare enrollees. A violation of this provision is punishable as a Class C misdemeanor under TCA 56-1-801.

ESTIMATED FISCAL IMPACT:

Increase Local Govt. Revenues - Not Significant

Increase Local Govt. Expenditures - Not Significant

Impact depends upon the number of persons convicted of this offense and the resulting increased cost to local governments to confine such persons versus the increased revenues to local governments from fines levied and collected under the provisions of this bill.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

James A. Davenport, Executive Director

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